

MINUTE ITEM

11/17/66

23. REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, OIL AND GAS LEASE
P.R.C. 2206.1, SANTA BARBARA COUNTY; TEXACO INC. - W.O. 6326.

After consideration of Calendar Item 8 attached, and upon motion duly made
and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO GRANT TO TEXACO INC. A DEFERMENT OF
DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 2206.1 THROUGH JUNE 13,
1967, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE
AND EFFECT.

Attachment

Calendar Item 8 (1 page)

8.

REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, OIL AND GAS LEASE P.R.C. 2206.1 SANTA BARBARA COUNTY; TEXACO INC. - W.O. 6326.

An application has been received from Texaco Inc. requesting a deferment of drilling requirements from December 13, 1966, to June 13, 1967, for State Oil and Gas Lease P.R.C. 2206.1, containing approximately 3,840 acres of offshore tide and submerged lands in Santa Barbara County.

This lease was issued July 25, 1958, to The Texas Company, Monterey Oil Company, and Newmont Oil Company, pursuant to competitive public bidding. On October 26, 1961, all interests in the lease were acquired by Texaco Inc.

Texaco, in developing the lease, has constructed one fixed platform and drilled 17 wells. The last drilling operations were conducted on February 13, 1964. According to Texaco, more than \$8,000,000 has been expended in the development of the lease. Eight wells are currently producing.

Deferments of drilling requirements have been granted by the Commission since April 3, 1962, and currently extend through December 13, 1966.

According to Texaco, a detailed seismic survey on and adjacent to this lease was conducted in late 1965. It has been determined by the operator that the results of the survey were unsatisfactory. Texaco states that it now plans another survey on the lease with a recently developed system that should provide the information required to pinpoint wildcat locations in the area. This survey is planned to be conducted in 1967.

In conformance with the current Commission practice of granting deferments for periods not in excess of six months,

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO GRANT TO TEXACO INC. A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 2206.1 THROUGH JUNE 13, 1967, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.